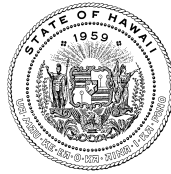


DAVID Y. IGE  
GOVERNOR



**LATE TESTIMONY**

LAUREL A. JOHNSTON  
ACTING DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY LAUREL A. JOHNSTON  
ACTING DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON LABOR  
ON  
SENATE BILL NO. 2333

**January 30, 2018**  
**2:45 p.m.**  
**Room 229**

**RELATING TO RETIREMENT SAVINGS**

Senate Bill No. 2333 establishes the Hawai'i Retirement Savings Plan; establishes a Hawai'i Retirement Savings Board to administer the plan; and sets operating and reporting requirements for the plan and the board. The bill also establishes a Hawai'i Retirement Savings Plan Administrative Fund and appropriates general funds and special funds in FY 19 for administrative and operating expenses.

The Department of Budget and Finance strongly believes that it would be premature to statutorily establish the retirement savings plan, the board, and the special fund without conducting a study to determine the feasibility of the retirement savings plan concept. The types of issues involved are recognized and identified in Section 3 of the bill.

Thank you for your consideration of our comments.

**SB-2333**

Submitted on: 1/30/2018 8:09:56 AM

Testimony for LBR on 1/30/2018 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
William D Beadle		Support	No

Comments:

January 29, 2018

Hawaii State Legislature

Senate Committee on Labor

To: Senator Jill Tokuda, Chair

Dear Senator Tokuda

Thank you for the opportunity to express my strong support for SB2333, Relating to Retirement Savings. This bill is the first step in providing financial security for Hawaii's future. Many in our workforce are not saving for retirement...let's make it simple and easy for them to save for themselves.

Most small businesses cannot afford the financial and administrative costs of establishing retirement programs for their employees. Participation requirements, mandatory financial commitments, bureaucracy and red tape, cause retirement programs to compete with the need to make a profit. This bill intends to take that burden off of the small business owner and give individual employees the option of saving for

themselves. Other states have already implemented a variety of programs to address this issue. This bill calls for establishing a board to design a program. A good first step...

From 1980 to 1998 I was the President/CEO of the Better Business Bureau of Utah. I experienced the difficulty in establishing a small business retirement program for myself and my staff. Several different attempts ended in frustration. This is a real and pervasive problem for small employers and their employees in our community.

Thank you for the opportunity to express my support for SB2333.

Sincerely, William Beadle

William Beadle

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